

# IT Support Services

## Preliminary Review of Alternatives

November 1, 2004

### Document 05-106 Revision History

01-NOV-2004	05-106: Posted for Review
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Texas Department of Information Resources  
Austin, TX

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## Issues

The pressure to do more with less has contributed to the current trend in government and the private sectors to identify ways to cut costs while maintaining or increasing services to IT users. Most state agencies in Texas currently provide their own IT Support services. Historically, agencies have established their standard computer hardware and software configurations independently, based on their own business requirements. This has led to the creation of many individual IT support service organizations across the state.

DIR has established contracts with eight vendors to provide seat management and related services to state agencies. Seat management includes PC hardware and software installation, desk side maintenance and help desk services. About 3,000 of the 109,000 PCs currently used by state agencies are managed by vendors under these DIR contracts. An additional 9,500 seats are managed under the DIR State Data Center and other similar contracts. The federal government and a number of states have recently begun to take a more holistic approach to seat management. The experiences of these organizations should be reviewed in detail and used to form the basis of a seat management strategy for Texas.

DIR intends to consider seat management as one component of an overall IT services portfolio along with:

- Hardware/software acquisition, deployment and software maintenance (upgrades and patches);
- User training;
- Help desk support;
- Asset tracking and management;
- Identity management and user provisioning; and
- Network management.

## BACKGROUND

IT Support Services can be generally described as the hardware, software and technology services that allow an organization to carry out its business functions. Networked personal computers (PC) and centralized servers are used by a large percentage of knowledge and administrative workers in state government. Productivity software such as office suites, e-mail and messaging programs and other “off the shelf” and customized computer applications are also widely used. Because information technology is essential to meeting business objectives and the costs for providing IT support services are significant, the State is reviewing the costs agencies incur to deliver services to their employees and seeking ways to mitigate those costs where possible. Moving to a statewide model for delivery of IT support services to agencies is one of the options to be considered.

According to data collected from agencies as a part of the State IT Asset Reporting (SITAR) process that was initiated in early 2004, The State spends about \$85 million and dedicates approximately 837 full-time

equivalent (FTE) staff positions to end user support each year.<sup>1</sup> These figures include costs for PC hardware and software, contracts for seat management, telecommunications costs related to help desk operations. They do not include costs for e-mail, web hosting, application development or network infrastructure. As defined in SITAR, user services includes:

- Level one Help Desk Support and user password maintenance
- Problem management and tracking
- PC installation, maintenance and upgrades
- Seat management services
- Installation of applications on end user's PCs
- Internet content filtering
- End user training

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<sup>1</sup> Numbers reflect data collected from agencies as a part of the State IT Asset Reporting (SITAR) process that was initiated in early 2004.

## IT Support Services - Current Approach

As the use of personal computers has steadily increased over the past twenty years, State agency users have been able to realize significant productivity gains by giving employees equipment and software that was tailored to their individual needs and preferences. Most industry experts agree that this model of provisioning, while providing significant responsiveness, still allows substantial room for improvement.

Most State agencies have made strides in moving toward a limited number of standard PC configurations and applications. Unfortunately, the standards have to be modified frequently to accommodate technology advancements as well as changing business needs. Currently, there are significant differences in standards from agency to agency. This has made it difficult to leverage economies of scale by entering into a single contract for IT support services for use by multiple agencies.

### SEAT MANAGEMENT

Currently, IT Support Services in Texas state government are largely managed on an agency-by-agency basis. While DIR has established seat management contracts with the eight vendors listed in Appendix B, agencies are not required to use these contracts or to compare the costs of outsourcing seat management as opposed to using internal resources. Agencies that wish to participate in a seat management contract under the DIR master contract must individually negotiate a “supplemental” agreement with one of the eight vendors.

According to the SITAR survey, state agencies reported spending about \$35,000,000 annually on staff support related to IT Support Services, excluding e-mail services. Contracts for seat management and related services account for an estimated \$19,000,000 annually. These figures, which include costs for seat management, help desk operations and server management, are a significant portion of the reported \$85,000,000 statewide expenditures for IT support services.

### COST OF OWNERSHIP

Texas is not unlike most other states in adopting this “a la carte” method of meeting needs for desktop computing services. Because of the diversity of products available from multiple vendors and the availability of “special” discounts on an almost daily basis, agencies tend to select vendors primarily based on the best initial price with secondary consideration to the total cost of ownership over the useful life-span of the equipment.

The Gartner Group has estimated that a PC configured with a common suite of software costing less than \$1000 can easily cost \$11,000 or more per year in total cost of ownership. Some of the factors that contribute to these costs are:

- Software upgrades must be purchased before they were planned;
- Hardware upgrades are required in order to take advantage of new software;
- Some users may install or reconfigure software, causing unanticipated conflicts;

- Some users may move to a new version of software that is not backward compatible with versions being run by others;
- Unexpected increases in maintenance costs and
- Unanticipated costs related to computer virus infections, spam, spy programs and other malicious software.

Because IT budgets may not allow some agencies to replace aging hardware and software on consistent timetables, IT employees may end up supporting many different environments at a given point in time. This situation requires additional training for new employees and in some cases leads agencies to contract for costly expertise that they agency staff can't provide.

## DIR SEAT MANAGEMENT CONTRACTS

In May 2002, DIR entered into several "Master" contracts for Seat Management Services on behalf of Texas state agencies and local governments. The original contract period ends in May 2005. However, two optional two-year renewals could extend the contract term through May 2009. The eight vendors that are currently under contract for seat management services are listed in Appendix B. Agencies are allowed to negotiate "supplemental" agreements with vendors under the auspices of the master contract. DIR does not currently participate in supplemental contract negotiations or in contract monitoring activities. The lack of involvement by DIR can hinder the agencies ability to negotiate optimal contracts because they may not know what other agencies are paying for similar services. It also reduces the possibilities for multiple agencies to join together to negotiate better pricing based on volume.

As of the publication date of this document, three of the eight seat management vendors had negotiated supplemental agreements with twenty-four state agencies and two large cities. The total value of the contracts was approximately \$9 million. Nearly 4,000 seats were being managed under these contracts. The specifications that are currently included in DIR's master contracts for seat management services are provided in Appendix C.

## Alternatives to Consider

There are a number of good examples of successful projects that resulted in cost savings by consolidating and/or outsourcing IT support services. However, there is no single approach that works in all situations. DIR should work with agencies to complete a more detailed analysis of alternatives for addressing IT Support Services using a more holistic approach. While the analysis will necessarily review agency-specific and domain solutions as described below, one of its main objectives should be to identify opportunities to move toward a statewide solution. The results of the analysis will be used by DIR to develop and publish a seat management guide in 2005.

While this report provides a preliminary review of alternatives, it doesn't include the detailed information on the costs and benefits of alternative approaches. The following paragraphs identify some of the main services that should be addressed in the analysis of alternatives for providing IT Support Services to State agencies. Also discussed in this section are alternative strategies for deploying the recommended solutions.

### HARDWARE/SOFTWARE ACQUISITION AND ASSET MANAGEMENT

As a part of its Go DIRect program, DIR has established contracts that allow State agencies, cities, counties, public schools and public universities to acquire hardware, software and other IT products and services quickly. By negotiating master contracts on behalf of state and local government agencies and educational institutions, DIR has been able to reduce costs and establish a set of standard configurations for PC hardware and software.

#### ISSUES TO CONSIDER

- As part of the proposed analysis of alternatives for statewide IT support services, DIR should review the current contracts and consider further consolidation to reduce the number of configurations to provide additional opportunities to reduce costs and improve efficiency.
- In addition to equipment acquisition and deployment of PC and related hardware and software, the analysis of alternatives should review options for centralized tracking of PC hardware and software through an asset management application.
- Options for managing software licenses on a statewide basis in order to allow agencies to transfer unused licenses to others will be an important part of this review.

### SEAT MANAGEMENT

As indicated earlier, DIR has established master seat management contracts with several vendors. The contracts provide for PC hardware and software installation, printer installation, desk-side support for the hardware, software, and help desk support.



#### ISSUES TO CONSIDER

- As the State looks for ways to reduce the total cost of ownership of its IT assets, seat management is an obvious area to consider. As a part of the analysis of alternatives, DIR should review the current seat management contracts and consider options to expand the services provided to agencies through the contracts.
- The analysis should also address the costs and benefits associated with expanding the services offered under the seat management contracts to include assisting agencies with supplemental contract negotiations and contract management services.
- The analysis should also give consideration to the possibility of moving to a single vendor for seat management in the future.
- The results of the analysis should form the basis of the Seat Management Guide to be published in 2005.

### HELP DESK SUPPORT

Help desk services are currently available to agencies through the DIR seat management contract. The services are specific to the hardware and software that are managed by the seat management vendors for each specific agency.

#### ISSUES TO CONSIDER

- The analysis of alternatives should review the current situation and consider the possibility of establishing a single help desk operation to provide level-one help desk services to all agencies that outsource their seat management.
- Opportunities for consolidation of level two and three help desk services for agencies that move to a common set of hardware and software components should also be considered.

### LOCAL AREA NETWORK (LAN) MANAGEMENT

Most agencies currently architect and manage their own LANs. They use a number of different directory configurations and LAN management software.

#### ISSUES TO CONSIDER

- The analysis of alternatives should look at the pros and cons of moving to a more standardized LAN structure across the agencies in order to reduce operating costs, while maintaining or enhancing service levels.
- For the purpose of the analysis, network management services include installation and operation of local-area networks (LAN), as well as, managing the provisioning of users that need to access the networks.

## END USER TRAINING

Another area that should be explored as a part of the analysis of alternatives for IT support services is end user training. Currently, many agencies provide their own training courses and materials. As the State continues to move toward adopting a small number of standard products such as office suites, e-mail systems and operating environments, it makes sense to look for opportunities to reduce costs through consolidation of training resources.

### ISSUES TO CONSIDER

- The possibility of offering statewide training for commodity software such as office suites and e-mail should be reviewed.
- Self-service training using the Internet and streaming audio/video technology and group training using Web conferencing may lead to savings.

## IDENTITY MANAGEMENT

It is becoming clear that an overall strategy for identity management is needed to ensure that State agencies will be able to optimize opportunities for IT support service consolidation. A statewide identity management solution will benefit agencies by allowing them to easily add new users and provide them with access to all applications and data they need in order to do their jobs.

### ISSUES TO CONSIDER

- The analysis to be conducted by DIR will investigate solutions available for implanting identity management and will assess the costs and benefits of implementing viable solutions.
- The potential costs and benefits for establishing a common architecture, based on the results of DIR's Architecture Components for the Enterprise (ACE) initiative will also be addressed in the analysis of alternatives.
- In addition to reviewing the various types of services that might be included in a statewide IT support services solution, the analysis of alternatives should discuss the pros and cons of various deployment scenarios such as agency specific, domain and statewide solutions.

## AGENCY-SPECIFIC SOLUTION DEPLOYMENT

As described earlier, most IT solutions that have been deployed in the past were agency specific. While this approach has resulted in significant benefits to individual agencies, opportunities to further reduce costs by implementing multi-agency solutions have likely been missed. However, as the State moves toward statewide solutions in the future, deployment of agency-specific solutions may be a viable interim step.

#### ISSUES TO CONSIDER

- The analysis of alternatives for IT Support Services in Texas agencies will document opportunities for reducing costs to large agencies by using the existing DIR seat management contracts and by supplementing or expanding the contracts to include more managed services.
- Because the time frame for implementing a statewide solution could be long, interim solutions involving individual agencies may be viable and should be considered.

### DOMAIN SOLUTION DEPLOYMENT

A domain solution to IT Support services involves deployment of IT support services by a subset of State agencies with common traits. Domain solutions might be appropriate for agencies that are collocated at a single building or campus or for agencies that have similar missions and/or programs. For example, the member agencies of the Health Professions Council worked together to implement a domain solution beginning in 2003. This effort was expanded in 2004 to include most agencies that reside in the William P. Hobby Jr. Building in Austin. In a similar fashion, the consolidation by the legislature of various health and human services agencies in Texas under the auspices of HHSC has led to consideration of domain solutions for HHSC agencies.

#### ISSUES TO CONSIDER

- As with agency-specific solutions, domain solutions could be considered as interim steps in moving toward a statewide solution.
- The analysis of alternatives should consider the possibility of using domain solutions to deliver certain IT Support Services more effectively and at lower cost

### STATEWIDE SOLUTION DEPLOYMENT

A statewide solution for IT Support Services would involve establishing an infrastructure that allows all state agencies to utilize a common infrastructure and a common set of applications and services. For example, a single statewide Help Desk could be established to provide answers to basic IT questions and to coordinate the resolution of help desk calls that are directed to specialists from an individual agency or vendor. Additionally, some computer applications, such as e-mail and office suites, are becoming more standardized which will lead to the ability to implement them as commodities across the State.

#### THICK CLIENT APPLICATIONS

One of the most common models currently in use for providing IT application support is based on the “client-server” architecture. This model typically involves the use of personal computers running “thick client” software, where much of the programming logic and data manipulation is performed on client

machines as opposed to servers. This model allows agencies to take more advantage of the computing power that is available on typical desktop computers and provides other benefits including:

- Users can work offline when networks or servers are not available,
- Application performance problems can be managed on an individual basis and
- Software upgrades can be made on a user-by-user basis.

However, because initial hardware and software costs are generally higher for thick client solutions and upgrades and removals typically require a visit from an IT specialist, the total cost of ownership can be higher when compared to thin client solutions.

Many Texas state agencies currently utilize thick client applications for most if not all of their computer applications. Until recently, vendors of computer applications such as e-mail and office suites spent much of their effort in maintaining and enhancing their thick client product offerings. Because of increasing user demand, vendors are beginning to offer thin client solutions with functionality that rivals their thick client offerings.

#### ISSUES TO CONSIDER

- The analysis of alternatives needs to look at thick client applications involving standardized client hardware and software.

#### VIRTUAL DESKTOP

The “virtual desktop” is another model for providing IT services that is being considered by some organizations. It is characterized by the use of a “thin client” that has little or no capability for local data processing. The recent movement toward the use of the Internet and the World Wide Web has generated enthusiasm for the use of thin client applications, which are based on the use of a Web browser on a low-cost PC or a diskless workstation. In this configuration, the application software is executed on one or more centralized server computers. Since many agencies are moving their custom applications to a web-based portal environment, it makes sense to look at the possibility of moving all application services to centralized servers.

The virtual desktop solution is based on shared applications running on centralized servers rather than on desktop computers. By using tools such as Citrix Meta Frame or Microsoft Terminal Server, agencies can allow each PC user to access the applications that he or she needs without ever visiting the user's desk. Software maintenance and upgrades can be done one time on a server instead of many times at multiple locations. The potential use of a thin-client, virtual desktop solution for providing cost-effective seat management services should be investigated as a part of the analysis of alternatives for IT Support Services.

#### ISSUES TO CONSIDER

- Because it is unlikely that all agencies would be interested and/or able to move to a thin client solution within a short time frame, the analysis of alternatives for statewide IT support services should consider a hybrid solution that allows for a

migration over time to either a thick client or a thin client solution depending on individual agency and department needs.

## Appendix A - IT Support Services - Trends

In recent years, the pressure on government organizations to “do more with less” has increased significantly. This pressure has resulted in reduced IT budgets, which has forced organizations to look for ways to make improvements in efficiency and effectiveness. One of the areas typically targeted for improvement is IT Support Services, or more specifically, seat management.

In the executive summary for its publication entitled *What Desktop Outsourcing Users Really Want*,<sup>[3]</sup> Gartner, Inc. asserts that IT outsourcing is continuing to grow in importance and stature. There are more and more outsourcing options and the choices are becoming more difficult to make. Gartner also notes that the majority of outsourcing services are engaged as “bundled” services and the most popular method of pricing is per-seat pricing.

### FEDERAL SEAT MANAGEMENT INITIATIVES

In June 1998, the National Aeronautics and Space Administration (NASA) awarded seat management contracts to seven prime contractors under its Outsourcing Desktop Initiative for NASA (ODIN) government wide contract. In July of that same year, the General Services Administration (GSA) awarded contracts to eight prime vendors under its own government wide seat management contract.

As reported in a 2002 General Accounting Office (GAO) report<sup>[4]</sup> on desktop outsourcing, the six agencies that had implemented seat management under these contracts reported that the use of seat management contracts allowed them to:

- Improve information technology management by standardizing hardware and software;
- Improve end user support;
- Enhance mission support by freeing up staff time that was previously dedicated to desktop management functions; and
- Upgrade their desktop technology on a more timely basis.

The GAO concluded that the agencies had not performed sufficient up-front analysis and were not routinely monitoring actual results to determine whether they were achieving expected benefits. However, the report did cite a number of lessons learned. According to GAO, agencies can reduce the risks of an unsuccessful seat management implementation by:

- Obtaining a commitment from top management;
- Thorough up-front planning and preparation;
- Strong contract management, including ongoing performance monitoring; and
- By establishing strong communication links with vendors and end users.

## STATE SEAT MANAGEMENT INITIATIVES

A number of states have begun to move forward with efforts to address various aspects of IT support services on a statewide basis with mixed results. For example, in September 2000, the Virginia Information Technologies Agency (VITA) entered into a contract for statewide seat management services, expecting to serve more than 10,000 users within 18 months. However, as reported by Government Computer News <sup>[5]</sup> as of November 2001 less than 500 users were covered by the contract. This slow start was attributed to a number of factors including an economic downturn and the fact that many agencies had recently upgraded their desktop equipment in preparation for the year 2000. Despite the slow start, Virginia authorities continue to believe that statewide seat management is a viable alternative and plan to expand the contract. One of the major objectives included in the April 2004 VITA Business Plan <sup>[6]</sup> is to implement a desktop management program that would include up to 59,000 seats by the end of the 2006 fiscal year.

The California Performance Review (CPR) that was completed in August 2004 includes recommendations for several initiatives related to consolidation of IT support services. In recommendation SO31 <sup>[7]</sup> the CPR recommends that state agencies move to “virtual desktops” as a means of saving money on PC client hardware and support services. The virtual desktop solution would provide Internet browser-based access to applications that run on server computers, thus reducing the total cost of ownership for each virtual seat managed desktop from about \$5,000/year to \$1,000/year.

In addition to the recommendation to move to a virtual desktop, the CPR recommended in SO/30 that a statewide information technology Help Desk be created. Other states like New York, Florida and Wisconsin have used statewide help desks as a means of consolidating some IT services. In June 2001 The New York office of Technology created a help desk <sup>[8]</sup> to provide services to 4 state agencies and a number of local government agencies, educational institutions and not-for-profit organizations.

The Virginia experience highlights the risks related to IT support consolidation efforts. However, if consolidation projects are well planned and executed, the challenges can be overcome and States can provide improved services at reduced costs.

## Appendix B – DIR Seat Management Contractors

The following vendors have established contracts to provide seat management services to state and local agencies:

- ACS, Inc.
- Analytical Computer Services
- Avnet, Inc.
- Hewlett Packard
- CompuCom Systems
- Northrop Grumman Information Technology
- SchlumbergerSema
- Vintage IT Services



## Appendix C – DIR Seat Management Contract Specifications

The specifications included in all DIR master seat management contracts are as follows:

### GENERAL TERMS AND CONDITIONS:

1. Seat Management Services acquired by Customer shall be for a specific term of three (3), four (4) OR five (5) years.
2. Workstations to be installed shall be selected from an Enterprise Tier OEM pre-configured equipment list and have software suite and operating system from the Workstation Core Software listing (see below).
3. Low-end, Mid-range and High-end Hardware ranges shall be governed by what is available at the time the Supplemental Agreement is created.
4. Payment for Seat Management Services shall be made on an annual basis.
5. Vendor will provide listing of equipment and location of equipment. Equipment will be tagged with Vendor specific identification tags.
6. Customer will enter into a Supplemental Agreement with Vendor for specific equipment and services to be acquired under the General Terms and Conditions of the Master DIR Contracts.

### WORKSTATION CORE SOFTWARE:

Workstation Core Software offering will include Microsoft software, including Microsoft Computer Based Training. Workstation Core Software will include an option for Anti-Virus Software. All awarded Vendors will have access to Microsoft and anti-virus software pricing via DIR Contracts at the same price as is available to DIR Customers.

Vendor agrees that all software procured under any supplemental schedule for an Agency of the State of Texas will be coordinated through existing DIR Contracts, as per Section 2157.068, Texas Government Code. Through this Contract, DIR grants Vendor the right to procure software for State Agencies and other DIR Customers through existing DIR Commodity Software Contracts. Vendor agrees to make all payments to DIR Contracted Vendors following terms of net 30 days.

**SERVICES PROVIDED SHALL CONSIST OF:**

Hardware consisting of desktop and/or notebook workstations and printers selected from a defined schedule, including installation of Workstation Core Software (see above).

Help desk support to include telephone response, problem logging, instructional assistance on the Workstation Core Software, problem resolution, dispatching where and when required, monitoring and statistical reports, and password requests.

Desk side support to include both hardware and standard specified software malfunction remediation.

**WORKSTATION INSTALLATION SHALL CONSIST OF:**

1. Project Coordinator who will be involved in roll out planning and management;
2. Installation done according to a plan and schedule mutually developed by the Project Coordinator and Customer staff member(s) designated by the Customer as project coordinator(s) in the Supplemental Agreement;
3. Loading of workstation core software on each machine prior to installation and installation of one software upgrade in term; (it shall be the responsibility of the Customer to define and test the image to be loaded on the machines by the Vendor)
4. Installation by a qualified technician who shall:
  - A. De-install the old existing system, if needed
  - B. Install new leased system
  - C. Box old system as specified in Supplemental Agreement and label box for identification
  - D. Assist in loading backup data, if needed as specified in the Supplemental Agreement
  - E. Configure system for Customer using staff member
  - F. Provide orientation for Customer staff member and obtain sign off of successful installation equipment to be installed consisting of, depending upon configuration selected:

**DESKTOP (PROCESSOR, NETWORK INTERFACE CARD, MONITOR, KEYBOARD, MOUSE, EXTERNAL SPEAKERS, CD ROM, HARD DRIVE, FLOPPY DRIVE)**

Notebook (Processor, Network interface card, Monitor, Keyboard, Mouse, External speakers, Hard Drive, Floppy Drive, CD ROM, Docking station, Monitor stand, Carrying case)

## PRINTER

5. Documentation provided to the customer, which shall:
  - A. Determine the exact amount of equipment installed;
  - B. Provide required information necessary for asset tracking in a specified format as agreed to between Customer and Vendor;
  - C. Demonstrate the successful installation of each workstation, including reattaching to network drives and printer queue.

*The Customer will be responsible for disposal of State of Texas owned equipment removed during the initial installation.*

## HELP DESK SUPPORT

Help desk services will be provided through a toll-free telephone number within Texas involving failures of provided hardware, failure of the provided software applications or operating system, and how-to assistance on the provided software applications. Vendor will accept collect calls for help desk services from Customers traveling outside of Texas on official State of Texas business. Issues on services not covered under this agreement shall be referred to Customer personnel for resolution.

1. Support shall be provided for hardware installed through the Supplemental Agreement.
2. Support shall be provided for software installed through the Supplemental Agreement.
3. Software supported shall be for that software from the Workstation Core Software Listing as specified in the Supplemental Agreement.
4. There will be additional charges for software supported other than software included in the Workstation Core Software Listing and for additional hardware installed.
5. Calls to the Help Desk from the Customer shall be answered in a monthly average speed-of-answer of 60 seconds or less. No individual caller shall on average wait more than 2 minutes for response.
6. Coverage will be as specified by Customer. Calls may be received after hours or on the weekend. Calls received during that time outside of normal coverage will be handled, if possible, and dispatch of desk side repair services, if required, will occur during the next normal business coverage period.
7. Number of calls to be covered is 12 calls per seat per year for how-to's and password requests. Calls serviced over and above that amount for the Customer shall be billed back to the Customer at a specified rate per call.
8. Call backs for a status check and calls regarding a problem note being fixed shall not count as a call.
9. Calls for hardware and software failure shall be unlimited.

7. Performance and activity reports shall be provided to the Customer on a monthly basis. Minimum information in these reports shall include: name of person calling, name of person handling the call, computer number, date and time of call, type of problem (problem description), problem resolution and date and time closed, number of calls, speed of response. Reports should be available within one week after the end of the month for monthly statistics.

## DESK SIDE HARDWARE AND SOFTWARE SUPPORT

When required for hardware component and software malfunctions, a desk-side service technician shall be dispatched in a time-frame as specified by Customer in Supplemental Agreement. Services provided shall include diagnosis, repair and return to service of malfunctioning equipment and support for designated software on this equipment to include trouble shooting, loading, reloading and reconfiguration.

1. Desk side support will be provided to the equipment supplied under this agreement. This equipment will be desktop and notebook processors, keyboards, docking stations, monitors and mice.
2. Response time from notification to return to service will be specified in supplemental agreements.
3. Coverage will be as specified by Customer. Repair services will not be expected, under normal circumstances, after hours or on weekends.
4. Other than the network interface card (NIC) present in the processors or docking stations and modems in the notebooks, repair services for network difficulties will not be provided. Diagnostic services will be provided when trouble shooting and, if it is determined the problem cause is the network, a server or other part of the system outside the covered items, the call will be referred to a designated section of the Customer for resolution.
5. Hardware desk side support will include the following services for software:
  - i. trouble shooting on standard software package;
  - ii. reloading or reconfiguring of software to resolve problems;
  - iii. reconfiguration of software and system parameters for a changed user;
  - iv. loading of software for new system installs;
  - v. participation in data recovery on crashed hard disk - actual recovery service, if provided by , will be chargeable; and,
  - vi. insurance of data confidentiality when hard disk replacement is required.
6. Software supported will include that listed in Workstation Core Software Listing as specified in the Supplemental Agreement.
7. De-installation, movement and re-installation/reconfiguration of equipment furnished under this agreement is not covered in normal service. Billable service for workstation moves, adds and changes may be requested through the Help Desk and shall not be counted as a covered call. Move services will be delivered at the hourly rate quoted in the Supplemental Agreement. If the number moves is

above the number to be determined between the Customer and Vendor in Supplemental Agreement, such as moving of a complete office to another location, these should be handled as a Special Project under the terms of the Master Contract.

8. Performance and activity reports shall be provided to the Customer on a monthly basis. Minimum information in these reports shall include: name of person calling, name of person handling the call, computer number, date and time of call, type of problem (problem description), problem resolution and date and time closed, number of calls, speed of response. Reports should be available within one week after the end of the month for monthly statistics.

## OTHER SERVICES AND CONDITIONS:

1. Addition of Equipment. If it is necessary that additional equipment be added to the equipment base, the Customer and Vendor shall mutually agree to period equipment is to be obtained for and costs for provision. The Service Agreement shall be amended to reflect the new amounts incurred by the equipment addition.
2. Loss/Damage of Equipment. The Customer shall be responsible for management of equipment provided under this Agreement while in their possession, except for loss or damage caused by Vendor. The Customer shall be responsible for equipment location reconciliation annually. In the event of theft, loss or damage beyond repair of leased equipment while in possession of the Customer, Vendor and the Customer will mutually agree upon a fair market residual value of the equipment concerned. The Customer will reimburse Vendor that agreed amount. Vendor shall provide, as a replacement, equipment of comparable or greater performance and configuration at no extra cost. The Customer shall continue service payments at the same level and duration as for the original equipment.
3. Special Projects. The Customer may temporarily require service and requisite support for additional needs of a specified duration. The Customer and Vendor will review the scope of effort and equipment required and mutually agree upon pricing for delivery of those services. Vendor will develop a Special Project agreement document for acceptance by both parties, which will govern the delivery of services and pricing. Delivery of services will be subject to those performance levels provided within this supplemental agreement. Estimated rates will be provided in the Supplement Agreement for staff that will most likely be required for Special Projects.
4. Criminal Background Checks. The Customer shall have the right to run criminal background checks on Vendor's employees working on Customers site if they are authorized by law to run such checks.
5. Confidentiality. The Customer shall notify Vendor of any confidentiality requirements that they may have in the Supplemental Agreement.

6. Replacement of Staff. The Customer shall have the right to request replacement, for any reason, of any staff assigned to provide support services to the Customer subject to State and Federal laws. This request shall be submitted in writing to Vendor. Replacement by Vendor of staff in question shall occur immediately upon receipt of the written request. The Customer may verbally request immediate replacement with the written request to follow within the next business day.
7. Penalties for Non-performance. Penalties for non-performance are negotiable in the Supplemental Agreement as negotiated between Customer and Vendor.

## RESPONSIBILITIES SUMMARY

Task/Item	Responsible Party	
	Customer	Vendor
Select Configuration of Equipment to be Installed and Equipment to be Replaced	X	
Complete an Installation Requirements Sheet for Each New Workstation	X	
Develop Detailed Equipment Installation Plan	X	X
Develop and Provide “Gold Master” Software for Installation on Workstations of Core Software	X	X
Provide Location for Supplied Equipment Storage and Preparation	X	X
Consolidate Existing User Data in Preparation for Workstation Replacement	X	
De-install Existing Workstation (if required)		X
Configure (with standard configuration) and Install New Equipment per Installation Plan		X
Move Consolidated User Data and Configuration Files to New Workstation		X
Provide Initial Customer Orientation for Supplied Equipment		X
Acknowledge Receipt and Acceptance of New PCs	X	
Provide Consolidated List of Installed New Equipment and Configuration		X
Box and Relocate Replaced Equipment to On-site Customer Storage Location (definition of “on-site” must be included in Supplemental Agreement)		X
Disposal of State-owned Equipment	X	
Asset Management of Supplied Equipment	X	
Provide Toll-free (within Texas) Help Desk Phone Number and accept collect calls from Customers traveling out-of-state who require assistance		X
Receive and Document Desktop Customer Requests for Assistance		X
Dispatch Desktop Customer Service Requests to the Appropriate Customer		X
Provide Functional Support for the Standard Software Suite		X
Provide Support for Custom Software	X	
Provide “How-to” for Workstation Core Software Usage Support		X
Security Support (Data Access Permissions, Passwords, etc.)	X	

Hardware Support and Maintenance of Network Devices, including Printers, Scanners, Plotters	X	
Network Troubleshooting and Repair	X	
Network Connectivity Troubleshooting and Repair (up to and including the Network Interface Card or MODEM)		X
Replacement of Supplied Standard Inoperative Input Devices (mouse/keyboard)		X
Replacement of Inoperative Specialized Input Devices (ergonomic keyboards, trackballs, etc.)	X	
Provide Monthly Contract Performance Report		X
Process Moves of Supported Equipment on a Billable Per-Hour Payment Basis		X
Coordinate and Complete Special Projects	X	X



## END NOTES

<sup>[1]</sup> Texas Department of Information Resources, “*A Foundation For Change – Leveraging a Statewide Technology Infrastructure*,” (May 28, 2004).

<sup>[2]</sup> Texas Department of Information Resources, “*RFI 060104 – Information Technology Services: 1) Enterprise Applications – Messaging and Collaboration services 2) IT Support services for Multiple State Agency Use*,” (June 01, 2004).

<sup>[3]</sup> Gartner Dataquest, “*What Desktop Outsourcing Users Really Want (Executive Summary)*,” (November 14, 2003).

<sup>[4]</sup> United State general Accounting Office, “*DESKTOP OUTSOURCING Positive Results Reported, but Analysis Could Be Strengthened*,” (March 2002).

<sup>[5]</sup> Steve Towns, “*Uphill Battle*,” Government Technology, November 2001.

<sup>[6]</sup> Virginia Information technologies Agency, “*VITA Business Plan*,” (April 2004).

<sup>[7]</sup> California Performance Review, “*SO31 The Virtual desktop – A Computer Support Model that Saves Money*,” <http://www.report.cpr.ca.gov/cprprt/issrec/stops/> (last visited October 6 2004).

<sup>[8]</sup> New York State Office of Technology, “*Welcome to New York State’s Enterprise Help Desk Home Page*,” <http://www.oft.state.ny.us/helpdesk> (last visited October 6, 2004).

<sup>[9]</sup> John Kost and Richard Harris, “*Government Shared services: Benefits, Risks and Challenges*,” Gartner, Inc. (August 2004).